

SPI4 – Social audits for microfinance

Why? How?

CERISE

What is SPI4?

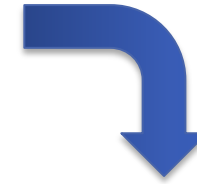
- The **data collection and assessment tool** for the Universal Standards of SPM
- A social **audit tool** that allows MFIs to analyze their current SPM practices in a way that fits their budget and preferences
- A **flexible tool that can be tailored to the MFI's mission and stakeholders requirements** through optional modules on poverty and environment; a sub-selection for investors' due diligence
- A **reporting tool**

Based on leading industry initiatives and practices implemented successfully by MFIs

Voluntary resource—not a rating, regulatory or certification system



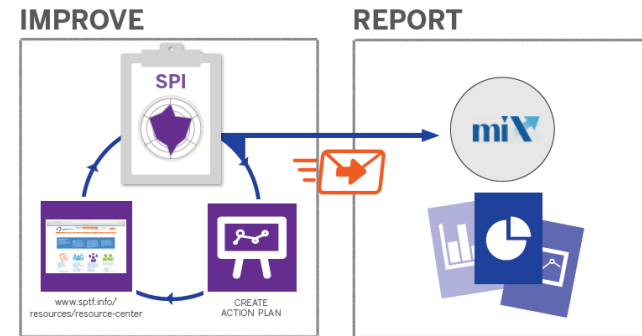
SPI4 is comprehensive, but the goal is to reduce the reporting burden on FIs



Investors' due diligence

The reporting burden on FIs is high.

Each initiative requires a different report.



SPI4 standardizes reporting across stakeholder groups and thereby reduces the burden on FIs.

SPI4 – why use it?

**Learn and
improve**

**Decrease FI
reporting
burden**

**Increase quality
of SP data**

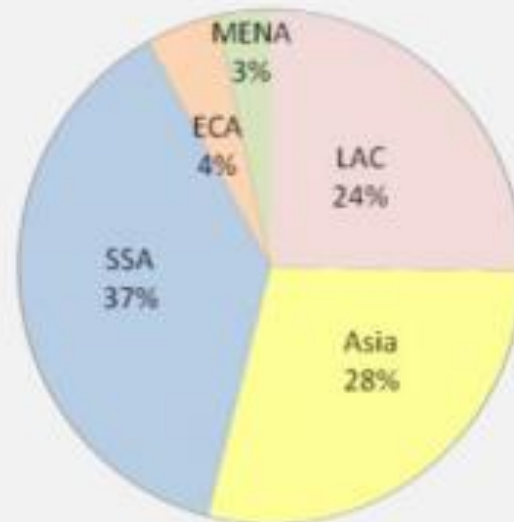
**Improve SP
benchmarks**

**Measure, manage and improve to better
serve clients!**

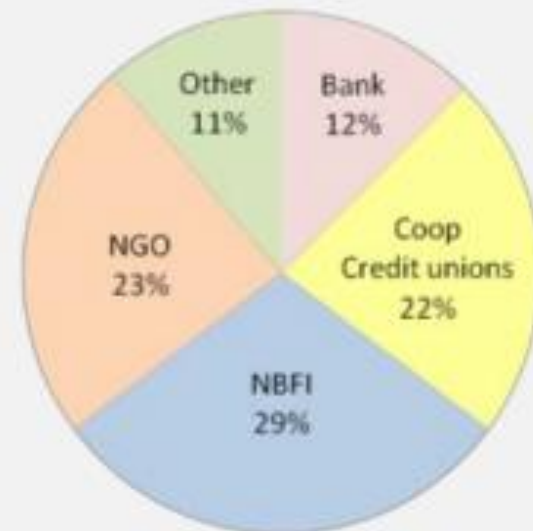
SPI4 in number

- More than **90** questionnaires received
- **30** audits underway, **25** in pipeline
- Around **150** audits expected by end-2015
- From **60** different countries
- **75%** are accompanied self-assessments
- **206** people trained in SPI4
- **19** qualified auditors

SPI4 audits by region
N=90



Legal form



ALINUS Working group

ALigning INvestors' due-diligence and reporting to the Universal Standards

- A working group of investors and fund managers committed to using the Universal Standards/SPI4 in their investments
- 12 MIVs committed to develop a joint selection, and test it in their due diligence process

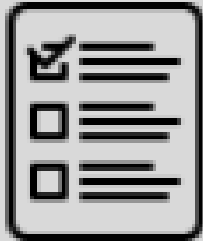


Use SPI4 in the investment process

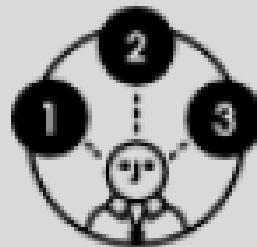
Overall goal

- Reduce the reporting burden of MFIs
- Speak the same language to promote SPM
- Spend more time on data analysis instead of data collection
- Accompany SPM processes
- Contribute to a better quality of indicators
- Allow improved benchmarking across the industry

Steps taken to create an SPI4 with ALINUS reporting option



Each participating MIV selected from SPI4 the indicators they wished to use during due diligence/monitoring.



CERISE analyzed this list, and asked MIVs to **reconsider their choices** when they had selected indicators that few other MIVs were interested in.



These iterative rounds of input made it possible to finalize a list of **80** indicators from the SPI4.

Welcome Page in SPI4 (since v1.2.2 June 2015)

3- ... AND/OR CHOOSE AN EXTERNAL REPORTING OPTION

You can use SPI4 to report to the organizations that are listed below or compare your results to past SPI3 assessments. By selecting one of the options, the questionnaire will be filtered to include only questions that are relevant.

Please select one reporting option:

[CLICK HERE](#) after selecting options to set-up the questionnaire

Partners from ALINUS that have agreed on the common reporting tool



Generation of the Social Dashboard

ALINUS GENERIC SOCIAL DASHBOARD



SPRING Finance

Cooperative/ Credit Union

Regulated

Iran

Microfinance activities since 1998

Data as of:

31-Dec-13

SOCIAL MISSION

The social mission of Spring Finance is to provide sustainable efficient financial services to small farmers, women, low-income families, mainly in rural areas, to contribute to poverty alleviation and economic development of "the Country".

SOCIAL OBJECTIVES

Increased access to financial services

Poverty reduction

Growth of existing businesses

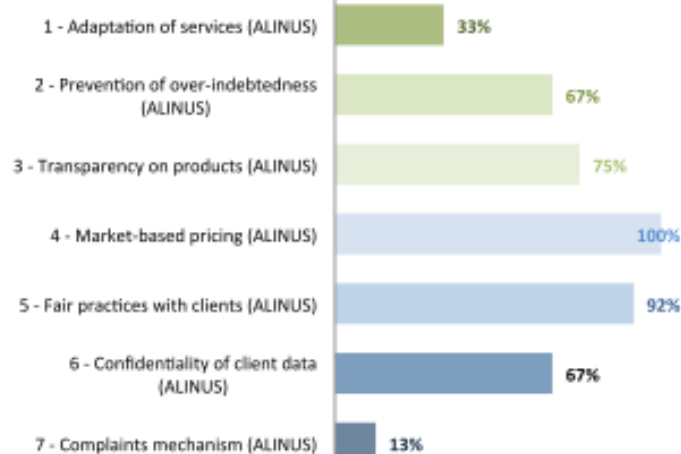
ALINUS SCORES IN SOCIAL PERFORMANCE:

41%



ALINUS SCORE IN CLIENT PROTECTION:

64%



Comments on ALINUS SOCIAL PERFORMANCE RESULTS

The MFI does not have social indicators linked to its business plan. This will be followed up in monitoring.
Green dimension still to be completed with input from the person in charge. But not much done so far by the MFI.

Comments on ALINUS CLIENT PROTECTION RESULTS

TA fund to be contacted to help the MFI implement a strong complaints mechanism.

Benchmarks for ALINUS users

Dimension	Avg score for full SPI4 (n=58)	Avg ALINUS Score (n=58)
D1	58.0 / 100	50.5
D2	54.2	50.9
D3	58.3	57.9
D4	63.7	62.3
D5	66.4	71.7
D6	68.9	66.2